



GEORGIA DEPARTMENT OF  
COMMUNITY HEALTH

August 29, 2003

Dear Medicaid and PeachCare for Kids Providers,

As you are aware, DCH has authorized prospective payments to providers in various categories of service since the transition to ACS in April 2003. The standard processing rules surrounding prospective payments has been that paid claims for those providers/payees that are selected to receive the prospective payments are completely recouped (100%) and applied to existing accounts receivables.

In the **July 7, 2003** payment cycle, providers/payees selected to receive prospective payments inadvertently had their recoupment percentage set to **0%** instead of the customary **100%**. As a result, these providers received their entire amount of paid claims **and** their prospective payment for that week, with no deduction for recoupment being applied to existing accounts receivables. Deductions have been applied to prospective payments processed since this time to correct for the under-recoupment error, however as prospective payments have dwindled in recent weeks, complete recoupment efforts have been unsuccessful.

**Due to the risk of reduced Federal funding, DCH must recover the remaining balance in the next few weeks. For those providers/payees with balances still remaining, recoupment amounts will be increased until fully recouped.** This will appear as an increase in the amount of your recoupment in the financial transaction area of your Remittance Advice.

If you are a provider that received prospective payments in the July 7 payment cycle and still have a balance remaining, we will attempt to recover the remaining balance from the July 7, 2003 cycle **and** the standard 10% recoupment amount based on your last six (6) weeks paid claims average. **This will only impact providers/payees who received prospective payments in the July 7, 2003 payment cycle, with balances remaining.** All other providers will have no impact to advance payments or recoupments resulting from this issue.

Thank you for your continued participation and support of the Georgia Medicaid and PeachCare for Kids Programs.